

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

James H. Power
(212) 513-3494
james.power@hklaw.com

January 5, 2011

By-Hand Delivery and ECF

Hon. Martin Glenn
United States Bankruptcy Judge
United States Bankruptcy Court
Alexander Hamilton Custom House
One Bowling Green
New York, NY 10004

Re: Transfield ER Cape Limited (BVI), Chapter 15 Case No. 10-16270 (MG)

Dear Judge Glenn:

This firm is United States counsel to Casey McDonald, Bob Yap Cheng Ghee and Patrick Cowley, duly appointed Joint Liquidators and foreign representatives (“Petitioners”) of Transfield ER Cape Limited (BVI) (“TERC”), a company undergoing liquidation before the Commercial Division of the High Court of Justice, case number BVIHCV2010/21, pursuant to the Insolvency Act of 2003 of the British Virgin Islands (the “BVI Liquidation”).

On November 22, 2010, Petitioners filed a Verified Petition seeking recognition of the BVI Liquidation as a Foreign Main or Foreign Non-Main Proceeding pursuant to chapter 15 of the United States Bankruptcy Code, together with a proposed form of Order and other supporting documents (collectively the “Petition”).

On November 30, 2010, we served notice of the filing of the Petition (the “Notice”), as well as copies thereof, on all known creditors of TERC. Among other things, the Notice specified today, January 5, 2011 at 2 p.m. E.T., as the date and time by which objections to the relief sought in the Petition must be filed (the “Objection Deadline”).

I write to confirm that no objections to the relief sought in the Petition have been filed as of the Objection Deadline. One creditor, Benxi Iron & Steel Group International Economic and Trading Co., Ltd., filed a memorandum and affidavit in support of the relief requested in the Petition. I also note that we have communicated with counsel for certain of TERC’s creditors, including creditors that previously commenced actions against TERC in the United States, and were told by counsel for those creditors it was unlikely any objections to the relief sought in the Petition would be asserted.

Hon. Martin Glenn, U.S.B.J.

January 5, 201

Page 2

This morning, my colleague received a telephone call from this Court's clerk concerning the recognition hearing scheduled for January 13, 2011. It is our understanding that this hearing remains scheduled. At the hearing, TERC intends to present Mr. Casey McDonald, one of the Petitioners, in further support of the Petition.

Thank you for your attention to this matter.

Respectfully submitted

HOLLAND & KNIGHT LLP

/s James H. Power

James H. Power